

**Federal Coal Exploration License Plan  
for the  
OAK MESA AREA  
within  
Delta County, Colorado**

**Exploration License No. COC-74911**

**Submitted by  
OXBOW Mining LLC  
PO Box 535  
3737 HWY 133  
Somerset, CO 81434**

**May 6, 2011  
Revised August 26, 2011  
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**Federal Coal Exploration License Plan for  
OAK MESA AREA  
Delta County, Colorado  
on Private Lands and Lands Managed by Bureau of Land Management**

**Exploration License No. COC-74911**

**NAME & ADDRESS OF APPLICANT:**

Oxbow Mining, LLC,  
P.O. Box 535  
3737 Highway 133  
Somerset, CO 81434  
Contact: Steve Weist, Manager Special Projects  
970-929-6461 [steve.weist@oxbow.com](mailto:steve.weist@oxbow.com)

**NAME & ADDRESS OF PERSON PRESENT DURING EXPLORATION:**

Oxbow Mining, LLC,  
P.O. Box 535  
3737 Highway 133  
Somerset, CO 81434  
Contact: This will be provided to the BLM contact person upon approval of exploration drilling application and prior to initiation of drilling activities.

**NARRATIVE DESCRIPTION:**

Coal exploration drilling is needed to determine seam reserve availability for possible development of a new underground coal mine within Delta County, by Oxbow Mining LLC. The proposed Oak Mesa exploration area is located in Delta County to the west of the Orchard Valley Mine. The exploration drilling will be used to confirm the quality and quantity of the coal within this area.

**The Exploration License Area: (COC-74911)**

Oxbow Mining, LLC (Oxbow) requests an Exploration License for the Oak Mesa area located in Delta County on private surface lands and lands managed by the Bureau of Land Management (BLM). The Oak Mesa exploration license area is located within the area described as follows and shown on the attached map (Plate 2) Oak Mesa Project, Proposed Drilling Program. This area contains approximately 13,873 acres more or less.

Township 13 South, Range 92 West, 6<sup>th</sup> P.M.

Sec 7, Lots 13-20;  
Sec 8, S/2;  
Sec 9, S/2;  
Sec 15, Lots 13, 18, 19, and 22;  
Sec 16, All;  
Sec 17, All;  
Sec 18, All;  
Sec 19, All;  
Sec 20, All;  
Sec 21, All;  
Sec 22, Lots 4, 5, 12, and 13;  
Sec 28, Lots 2-7;  
Sec 29, All;  
Sec 30, Lots 5-18;

Township 13 South, Range 93 West, 6<sup>th</sup> P.M.

Sec 9, Lots 9-16;  
 Sec 10, Lots 9-16;  
 Sec 11, Lots 9-16;  
 Sec 12, Lots 9-16;  
 Sec 13, All;  
 Sec 14, All;  
 Sec 15, Lots 1-10, 14-15;  
 Sec 16, Lots 1-4;  
 Sec 23, Lots 1-15;  
 Sec 24, All;  
 Sec 25, All;  
 Sec 26, Lots 1-15;  
 Sec 35, All;  
 Sec36, Lots 1-8, 11-14.

Of the approximately 13,873 acres of surface described above, 67.8% (9,408 acres) of this surface is privately owned, and 32.2% (4,465 acres) are managed by the BLM.

Exploration drilling activities will be short term and will be conducted for a two year period. Exploration mobilization is expected to begin as soon as approval is given and weather and ground conditions allow. It is expected to be completed within two years.

The Exploration Area and Geology:

The proposed exploration license covers upland areas located between the West Roatcap Creek and Leroux Creek drainages and north of the community of Hotchkiss. The area lies generally west of the Orchard Valley coal lease tracts (C-53356 and C37210). The geology and coal character are anticipated to be similar to the Orchard Valley coal lease tract with at least one seam of recoverable coal, outcropping on the southern slopes of the Oak Mesa, and dipping into the mesa at approximately 5 degrees.

Topography:

The surface lands of this proposed exploration area consist of a combination of privately owned and BLM managed sections, however, a majority of the exploration drill pads will occur solely on private surface, with only one drillhole expected to occur on BLM surface. The elevation in the exploration area ranges from approximately 7,100 ft. above mean sea level (amsl) in the southwest corner of the exploration license area to 9,100 ft. (amsl) in the north portion of the area. Forty-three (43) drill sites are proposed with elevations ranging from approximately 7,580 ft. to 8,980 ft. (amsl). This area is semi-arid with annual precipitation of approximately 17 inches, mostly as snow.

Hydrology:

Both Leroux Creek and West Roatcap Creek are perennial drainages with minor flows occurring all year long. The flow volumes vary in response to spring snowmelt and runoff from major rainfall events. Flow volumes will also vary depending upon the amount of runoff that is diverted into irrigation channels that run through this area and provide water to local orchards and farm land. There are two other drainages, the Dever, and Jay Creek drainages that are in the area of the proposed exploration drilling activities. These drainages have intermittent flows that varying depending upon runoff available and varying amounts captured by local irrigation canals. Proposed exploration activities will be located no closer than 1,000 ft. to Leroux Creek or West Roatcap drainage channels.

Soils:

The environmental resources and values occurring within the proposed area are projected to be consistent

with those of surrounding areas. We do not anticipate any unique values or resources of special concern. Soils on the ridgelines and steep valley sideslopes are generally shallow and rocky with deeper, more developed soils in the valley bottoms. Soils vary in thickness and generally contain a high percentage of rock fragments interbedded with clay and siltstones.

#### Biology:

Vegetation cover types are projected to be consistent with the terrain and semi-arid climate found on the upland area, with mountain shrubland (Juniper, Gambel's Oak, Quaking Aspen, Big Sagebrush, and various grasses as the primary species), Juniper-Woodland (Juniper, Oak, Mountain Snowberry, Saskatoon Serviceberry, and Mountain Mahogany as the primary species) vegetation types being the dominant varieties. A wide range of wildlife species are projected to inhabit the general area, although use and habitat values maybe limited by the semi-arid climate and terrain and vegetative cover types. The area will be evaluated for applicable T&E and sensitive species per license requirements.

#### Cultural Resources and National Register of Historic Places

The area will need to be evaluated for cultural resources before drilling occurs.

#### Typical drilling methods and activities that may occur during the exploration drilling process:

Oxbow Mining, LLC expects to drill 43 exploration drillholes as shown on Table 1 below. This table provides a summary of the proposed exploration holes. The attached map (Plate 2) Oak Mesa Project, Proposed Drilling Program shows the projected drilling locations.

Once the exploration application and State NOI to drill have been approved, drilling will commence as soon as weather and ground conditions and surface access agreements allow. The drilling season is expected to last from late March to Mid November, but may vary depending upon weather and surface owner access agreements. Drilling is projected to consist of at least two crews per drilling rig drilling 10-12 hr. days with four days off. Drilling equipment is projected to consist of a Portadrill TKT sized rig that can complete both rotary and coring activities with the same rig. All drilling equipment will be inspected to ensure that appropriate safety equipment is available should the need arise. Supporting that rig will be a 4000 gal water truck, a flatbed truck with drilling supplies, and an E-log truck for running digital logs of each drill hole and two pickups for crew transportation.

#### Excavated earth or debris- disposal activities:

Sites, whenever possible, will be accessed using existing available light duty pre-existing ranch roads. When roads are not available, temporary roads will typically be constructed using a grader, which will blade using sidecast methods an approximate 12 foot wide running surface. Road construction estimates are based upon currently available satellite photographs. Drillhole locations maybe adjusted slightly in the field to optimize the placement of the drill pad. Light use roads and road construction distances may be adjusted to represent the more current information.

Most existing road alignments will not require modification, but may require road maintenance consisting of grading the road to provide a smooth operating surface, clean-out and repair of any existing drainage ditches and application of temporary drainage control measures (berms, straw bales, silt fences, gravel surfacing, etc.) as necessary. New road construction will be kept to a minimum and will follow applicable BLM specifications. Following the conclusion of drilling activities, the temporary roads will be obliterated by grading to approximate original contour and distributing the rock, brush, soils, etc pushed along the sides of the road back across the road corridor. Total estimated disturbance is 21.5 acres for Forty-three (43) drill pads and 14.29 acres for roads for a total disturbance of 35.79 acres.

Drilling and Related Activities:

As much as possible drilling will be conducted with minimal site preparation, since the drill rig can be set-up and leveled using self-contained hydraulic jacks. Where site preparation is necessary due to the need to utilize drilling fluids, a pad having maximum dimensions of approximately 180 feet by 120 feet will be established (approx. 0.5 acre disturbance per site). Pad preparation will involve the use of a tracked dozer approximately D6 sized or a utility type backhoe to establish a level drill site and dig a mud pit should the need require it. If topsoil exists, up to 12" will be salvaged and stored in a stockpile along one or more sides of the pad and marked with a "topsoil" sign(s).

Drill holes will be drilled using 8 ¾ inch rotary hole to a depth of up to 200ft. depending upon ground conditions. This hole will be cased with a resulting hole diameter of 6 ½ inches the remainder of the rotary drilling will be with a 6 ¼ inch drill to the desired depth above the coal seam where a 3 inch core drill will recover portions of the material above and below the coal seam, and the coal seam. See Table 1 for the approximate rotary and core depths and total hole depth.

In order to avoid potential sample contamination, drill holes will be completed to the extent possible with air, air-foam, or water as the circulation medium. Due to the difficulty in keeping drillholes open, and sample contamination minimized, if drilling muds are necessary to maintain circulation the drillhole integrity, polymer muds that are free of metallic compounds will be utilized. It is estimated that approximately 5,000 gallons of water will be used for each drillhole under normal drilling conditions.

Drill mud pit(s) for the containment of drilling fluids and cuttings will be excavated with a backhoe within the pad area. The pit will be approximately 20 feet in length, 4 feet in width and 8 feet deep (23.7 cubic yards each).

All drilling and related operations will be conducted by experienced exploration drillers in such a way as to minimize potential environmental impacts, and will be supervised by a qualified geologist. During drilling operations, water levels and flows in the drill holes (if any) will be closely monitored in order to characterize hydrologic conditions in the seams intersected. Samples of immediate roof and floor rock materials and of each coal seam intersected will be logged and may be collected during drilling for subsequent analysis. Drillholes will be logged by the geologist as drilling occurs and will be e-logged to provide appropriate information for the geologist to use in developing a geologic model of the exploration area. Transportation of these crews will be by one or two pickups per shift. One pickup for the crew and one for the geologist.

During drilling, Oxbow will control dust from drilling and related activities, divert and control both natural runoff from disturbed areas and fluid loss from drilling, and will clean-up any trash or debris. If air is utilized as the circulation medium, dust from drilling will be controlled by a flexible shroud at the drill collar. Drill cuttings and portable pits or excavated mud pits will effectively contain drilling fluids as discussed above.

Hole Completion:

Oxbow may complete several of these exploration holes as water monitoring wells, in preparation for base line monitoring required for permit submission. Identification of specific drillholes to be completed as water monitoring wells will occur once initial meetings with the Colorado Mined Land Reclamation Board and the CDRMS have occurred and we have received their direction on locations for monitoring wells. Drill holes selected to be completed as monitoring wells will be completed in accordance with the guidelines agreed to by the BLM and CDRMS for monitoring wells. Once monitoring is no longer required, these wells will be reclaimed as described below under site reclamation. The projected hole depths are provided on Table 1.

**Table 1**  
**Proposed Exploration Drillholes**

Exploration License No. COC-74911

Drillhole ID*	Northing	Easting	Collar Elevation	Existing Road	Temporary New Road	Temporary disturbance	Township	Range	Section	Water Haul	Estimated Rotary drilling	Estimated Core Drilling	Rollins Sandstone Top Structure Elevation	Total drillhole depth
			(ft.)	(Miles)	(Miles)	(Acres)				(Miles)	(ft.)	(ft.)	(ft.)	(ft.)
OM-YR-02	404191	136465	8,810	0.36	0.26	0.97	13	93	13	4.77	1,598	250	6,962	1,848
OM-YR-03	400239	136871	8,485	0.48	0.11	0.70	13	92	19	5.92	1,100	250	7,135	1,350
OM-YR-04	397334	136519	8,310	0.73	0.39	1.20	13	93	24	6.93	690	250	7,370	940
OM-YR-05	393419	135916	7,940	0.51	0.08	0.65	13	93	26	3.09	170	250	7,520	420
OM-YR-06	394808	137081	8,100	0.65	0.43	1.29	13	92	30	7.63	410	250	7,440	660
OM-YR-07	392786	137780	8,050	0.22	0.20	0.86	13	92	29	11.46	395	250	7,405	645
OM-YR-08	407071	136039	8,745	-	0.43	1.28	13	93	14	7.05	1,630	250	6,865	1,880
OM-YR-09	408227	135264	7,580	-	0.04	0.57	13	93	10	3.02	465	250	6,865	715
OM-YR-10	410181	134633	8,015	2.92	0.03	0.55	13	93	9	4.96	995	250	6,770	1,245
OM-YR-11	396433	137952	8,210	0.55	0.06	0.60	13	92	21	10.74	785	250	7,175	1,035
OM-YR-12	399254	137440	8,340	1.16	0.23	0.93	13	92	20	10.36	1,005	250	7,085	1,255
OM-YR-13	405324	137216	8,630	0.67	0.03	0.56	13	92	18	7.87	1,592	250	6,788	1,842
OM-YR-14	408932	137881	8,400	1.32	0.04	0.57	13	92	8	10.44	1,250	250	6,900	1,500
OM-YR-15	400173	137813	8,065	-	0.58	1.55	13	92	20	9.54	830	250	6,985	1,080
OM-YR-16	408499	137271	8,810	0.79	0.16	0.78	13	92	7	7.59	1,925	250	6,635	2,175
OM-YR-17	403657	137416	8,495	0.83	0.24	0.94	13	92	17	8.90	1,395	250	6,850	1,645
OM-YR-18	407696	136582	8,980	1.10	0.28	0.97	13	93	12	5.72	1,995	250	6,735	2,245
OM-YR-19	390944	136090	7,860	0.70	-	0.50	13	93	35	4.17	40	180	7,640	220
OM-YR-20	407198	134629	7,860	0.62	0.06	0.61	13	93	16	5.61	682	250	6,928	932
OM-YR-21	406702	138438	7,940	0.83	-	0.50	13	92	9	10.06	1,058	250	6,632	1,308
OM-YR-22	403010	138387	7,920	1.37	-	0.50	13	92	16	8.54	852	250	6,818	1,102
OM-YR-23	398570	136058	8,300	0.65	0.05	0.60	13	93	23	3.22	650	250	7,400	900
OM-YR-24	401408	136444	8,580	0.28	0.22	0.89	13	93	24	4.37	1,200	250	7,130	1,450
OM-YR-25	404667	135538	7,820	1.75	0.04	0.57	13	93	16	3.08	525	250	7,045	775
OM-YR-26	400890	137270	8,420	0.30	0.53	1.46	13	92	19	9.49	1,150	250	7,020	1,400
OM-YR-27	394572	137863	8,140	0.36	0.02	0.54	13	92	29	11.06	580	250	7,310	830
OM-YR-28	392782	137048	8,010	-	0.39	1.21	13	92	30	8.02	220	250	7,540	470
OM-YR-29	393274	136299	8,020	1.30	0.11	0.70	13	93	25	4.15	170	250	7,600	420
OM-YR-30	403348	136812	8,660	0.38	0.21	0.88	13	93	18	5.54	1,455	250	6,955	1,705
OM-YR-31	405874	136857	8,740	0.58	0.27	1.00	13	92	18	6.31	1,695	250	6,795	1,945
OM-YR-32	408296	136983	8,780	0.42	0.03	0.56	13	92	7	6.68	1,865	250	6,665	2,115
OM-YR-33	406332	137602	8,340	0.87	-	0.50	13	92	17	8.30	1,375	250	6,715	1,625
OM-YR-34	396650	137494	8,220	-	0.49	1.38	13	92	20	10.61	728	250	7,242	978
OM-YR-35	401906	136196	8,500	0.71	0.14	0.76	13	93	24	4.01	1,110	250	7,140	1,360
OM-YR-36	404060	135989	8,540	0.35	0.78	1.93	13	93	14	5.64	1,235	250	7,055	1,485
OM-YR-37	406262	135801	8,180	0.67	0.04	0.57	13	93	14	3.48	970	250	6,960	1,220
OM-YR-38	406196	136248	8,740	0.41	0.22	0.89	13	93	13	5.48	1,610	250	6,880	1,860
OM-YR-39	402513	137835	7,780	2.94	0.63	1.65	13	92	20	9.38	654	250	6,876	904
OM-YR-40	404741	138028	7,620	0.32	-	0.50	13	92	16	9.08	610	250	6,760	860
OM-YR-41	407287	138116	8,300	0.66	-	0.50	13	92	9	10.97	1,424	250	6,626	1,674
OM-YR-42	408468	135816	8,100	0.29	-	0.50	13	93	11	8.32	1,022	250	6,828	1,272
OM-YR-43	408520	136349	8,980	0.44	0.03	0.56	13	93	12	5.74	2,005	250	6,725	2,255
OM-YR-44	401105	138526	8,060	1.05	-	0.50	13	92	22	7.49	912	250	6,898	1,162
Total				30.55	7.86	35.74					44,027	10,680		54,707

\*Note: The YR notation within the drillhole identifier will later be changed to reflect the year drilling was completed



**Site Reclamation:**

Upon completion of drilling and related activities, all drill holes will be backfilled, sealed and abandoned. During drilling, fluid return will be monitored to identify the depth and extent of any water-producing zones. Upon abandonment, in accordance with Drill Hole Plugging Procedures agreed to by BLM and CDRMS. Bentonite chips or bentonite plug gel or similar seal will be established in the bottom of the hole, extending to within ten feet of the surface. A cement plug will be set in the hole ten (10) feet below the ground to within three (3) feet of the surface. Accumulations of drill cuttings and mud will be backfilled into and buried in the mud pit (if any) or otherwise buried.

All trash and debris will be removed from drill sites for disposal. Excavations, including mud pits, will be backfilled. Where mud pits are necessary, they may be temporarily fenced and allowed to dry and/or backfilled with drill cuttings and/or previously excavated material. During backfilling, the material will be mixed and compacted as it is replaced, by running the equipment over the backfilled area during placement of successive lifts. Following backfilling, disturbance areas will be graded to their approximate original configuration and surface drainage reestablished. Any salvaged topsoil materials will be re-spread onto the regraded surface and reseeded of the areas (pads and roads) will take place using the following seed mixture. A metal post with tag will be placed in the vicinity of the hole as a permanent marker.

**Table 2**  
**Seed Mix for Oakbrush Zone**

(source: BLM - UFO )

<b>SPECIES</b>	<b>% of Mix</b>	<b>PLS</b>	<b>#/Acre</b>
Western Wheatgrass var Arriba	12	8.0	0.96
Slender Wheatgrass var San Luis	12	5.5	0.66
Mountain Brome var Bromar	12	12.5	1.5
Big Bluegrass var Sherman	12	1.5	0.18
Bottlebrush Squirreltail	12	8.0	0.96
Canada Wild rye	12	7.0	0.94
American Vetch	6	10.0	0.6
Rocky Mountain Penstemon	6	1.5	0.09
Western Yarrow	6	1.0	0.06
Total application rate for incorporated seed			5.95 #/acre

Seed application rates will be doubled if aerial broadcast methods are used.

Seeding will take place in the fall or early spring. Monitoring of re-seeding efforts will occur for a couple of field seasons to determine stand success, re-seeding requirements and control of any noxious weeds.

**Estimated amounts of coal to be removed during exploration**

During the exploration drilling process a estimated 8 tons of coal will be recovered from this area. This coal will occur in the form of coal core that is recovered, so that it can be analyzed to determine its physical, chemical, and energy related properties, this will allow for the determination of whether it is of sufficient quality, and quantity to allow Oxbow to apply for a coal lease in this area. Coal tonnages removed were calculated by estimating the volume of coal to be removed from each exploration drillhole, times the typical weight of coal at 80 #/cu.ft. as shown below:

$$\text{Volume of coal removed: } V = \pi r^2 h$$

r = 3 inches, h = 12 ft. ave. per seam assume 2 seams of coal encountered.

Estimated tonnage = 8.01 tons of coal removed during exploration drilling process.

Miscellaneous Project-Specific Plans and Parameters:

Exploration activities are expected to be completed before winter weather makes roads impassable, however they may be extended depending upon when the exploration permit is approved.

Water hauled to the exploration sites will be obtained from local sources in accordance with existing Colorado water rights.

All trash, debris, oily waste, filter waste, hazardous waste, etc will be removed from the drill site for proper disposal offsite. No RCRA hazardous waste materials are anticipated to be used on the project.

All drilling equipment will be provided with fire extinguishers and shovels which will be available for fighting small fires if necessary. Drilling crews will be available to control very small fires associated with drilling activities but are not equipped or trained to fight larger rangeland fires.

The exploration program will otherwise comply with the requirements of Coal Rule 2.02 of the Regulations of the Colorado Mined Land Reclamation Board and the CDRMS rules 3.05, 4.03.3, 4.07.3, 4.21 and any other stipulations or regulations required upon approval of the BLM's exploration application and the States NOI to drill permit.

Reclamation Bonding:

As soon as the Exploration Application has been approved, all appropriate State and Federal Bonds will be obtained before drilling occurs.

Use of Data:

Oxbow will retain for 1 year, unless a shorter time is authorized by the authorized officer, all drill and geophysical logs and shall make such logs available for inspection or analysis by the authorized officer if requested.

Surface Owner and Oxbow's right to enter their surface to explore for Federal coal

Below are listed the surface owners of record that overlie the Federal coal within this area. Oxbow claims the right to enter this surface based upon the Act of December 29, 1916 (39 Stat., 862), in which the coal was exempted from the land patent for the United States, and provides for prospecting or exploration of this coal upon approval by the BLM.

Surface Owner Information  
Based upon Delta County  
Assessor Property Records as of May 1, 2011

Surface Owner Contact Information

Surface Owners with proposed drilling on their surfaces:

Nick R. Hughes

708 1250 Rd.

Delta, CO 81416

(970)201-1476

Approximate acres: 3967 acres, Conservation Easement

Projected drillholes: 18

James Patterson Family Trust c/o(Jeanie Stroh)

32496 J Road

Hotchkiss, CO 81419

(970)872-2133

Approximate Acres: 1,548 acres

Projected drillholes: 7

Bear Ranch LEX

1601 Forum Place, Suite 1400

West Palm Beach, FL 33401

(561) 697-4300

Approximate Acres: 726 acres

Projected Drillholes: 3

RMS Properties

P.O. Box 4343

Santa Rosa, CA 95402

(707) 528-6350 (Jayne Slayton, Property Manager)

Approximate Acres: 598 acres

Projected Drillholes: 2

Gayle Ware/Debbie Gray/Sherry Burr

31247 R50 Rd.

Hotchkiss, CO 81419

Gayle Ware (970) 872-2412;

Approximate Acres: 486 acres, Conservation Easement

Projected Drillholes: 2

Jerry Knight Trustee, Penny Knight Trustee

P.O. Box 3

Lazear, CO 81420

Approximate Acres: 372 acres

Projected Drillholes: 1

Michael Wood

29113 North Rd.

Hotchkiss, CO 81419

Chris Sanchez (970) 527-6434

Approximate Acres: 136 acres, Conservation Easement

Projected Drillholes: 2

NW Grosse-Rhode

41511 Lamborn Mesa Rd.  
Paonia, CO 81428  
(970) 527-6434  
Approximate acres: 262 acres  
Projected Drillholes: 2

Robert Conder

P.O. Box 732  
Norwood, CO 81423  
Approximate Acres: 236 acres  
Projected Drillholes: 2

Marvin White

28820 North Rd.  
Hotchkiss, CO 81419  
(970)872-3778  
Approximate Acres: 183 acres, Conservation Easement  
Projected Drillholes: 1

Eddy Roussin/Dan Roussin

40554 German Creek Dr.  
Paonia, CO 81419  
(970) 497-0792  
Approximate Acres: 131 acres  
Projected drillholes: 1

Ray Scott

230 Meeka Ct.  
Grand Junction, CO 81503  
Approximate Acres: 35 acres  
Projected Drillholes: 1

BLM Uncompahgre Field office

Land and Real estate div.  
2465 S. Townsend Ave.  
Montrose, CO 81404  
Approximate Acres: 4466 acres  
Projected Drillholes: 1

Surface Owners within the proposed exploration area, but without drilling activities:

Christopher Sanchez

14129 3100 Rd.  
Hotchkiss, CO 81419  
(970) 872-4181  
Approximate Acres: 191 acres, Conservation Easement

NKA Bowie Resources LLC A, Kentucky LLC  
1500 N. Big Run Rd.  
Ashland, KY 41102  
Approximate Acres: 94 acres

Bruce Bufkin  
18880 3100 Rd.  
Hotchkiss, CO 81419  
Approximate Acres: 83 acres

William Ellison  
634 31 Rd.  
Grand Junction, CO 81504  
Approximate Acres: 42 acres

Laurie lane  
P.O. Box 596  
Morgan, UT 84050  
Approximate Acres: 41 acres

Royden Girling, %Nancy Peterkin  
5787 Indian Cir.  
Houston, TX 77057  
(713) 785-5545  
Approximate Acres: 40 acres

Kevin Frisk  
5120 County Rd. 8 NW  
Alexandra, MN 56308  
Approximate Acres: 40 acres

AMTrust REO I LLC  
4282 N. Freeway  
Fortworth, TX 76137  
Approximate Acres: 40 acres

Rick Weed  
504 E. Baker St.  
Warsaw, IN 46580  
Approximate Acres: 39 acres

Bradley Muncaster/Melissa Archer  
2881 Music Ave.  
Grand Junction, CO 81506  
Approximate Acres: 38 acres

Lila Castella  
476 OL'SUN Dr.  
Grand Junction, CO 81504  
Approximate Acres: 35 acres

Kenneth Stoy  
P.O. Box 1965  
Montrose, CO 81402  
Approximate Acres: 31 acres

Cindy Watson/ Carol Watson  
1013 Scenic Cir.  
Montrose, CO 81401  
Approximate Acres: 13 acres

Michael Handelman  
P.O. Box 632  
Wrightwood, CA 92397  
Approximate Acres: 6 acres

Mark Smith  
30869 L25 Rd.  
Hotchkiss, CO 81419  
Approximate Acres: 4 acres

Black Canyon Regonal Land Trust  
c/o Sue McIntosh, director  
1500 E. Oak Grove Rd., Suite 201  
Montrose, CO 81401  
(970)252-1481  
Trustee of land placed into Conservation Easements

Total Acres Affected: 14044 acres (see Plate 2 Land Owners)

**Coal Mineral Owner Information  
Based upon GLO Records  
as of May 1, 2011**



Mineral Owner Contact Information

Mineral Owners within and adjacent to proposed exploration area:

Bear Ranch LEX

1601 Forum Place, Suite 1400  
West Palm Beach, FL 33401  
51% mineral owner of parcel within Section 26, T13S, R93W

Harry Michael Wood

29113 North Rd.  
Hotchkiss, CO 81419  
49% mineral owner of parcel within Section 26, T13S, R93W

Gayle Ware/Debbie Gray/Sherry Burr

31247 R50 Rd.  
Hotchkiss, CO 81419  
Gayle Ware (970) 872-2412; Sherry Burr (970) 210-5690; Debbie Gray (970) 872-3973

RMS Properties

P.O. Box 4343  
Santa Rosa, CA 95402  
(970) 835-9350 (Mark Shaffer listing agent)

Royden Girling, %Nancy Peterkin

5787 Indian Cir.  
Houston, TX 77057

NKA Bowie Resources LLC A, Kentucky LLC

1500 N. Big Run Rd.  
Ashland, KY 41102

BLM Uncompahgre Field office

Land and Real estate div.  
2465 S. Townsend Ave.  
Montrose, CO 81404

Ritchie Ranch Trust

PO Box 326  
Hotchkiss, CO 81419

Kathleen Smith

PO Box 1962  
Page, AZ 86040

Joy McClure

38685 Stucker Mesa Rd.  
Paonia, CO 81428

Michael McClure

PO Box 1211  
Paonia, CO 81428

Wildwood Ranch LLC  
PO Box 25  
Paonia, CO 81248

Balcony Farms LLC  
18 Old Agua Fria Rd West  
Santa Fe, NM 87508

## Appendix A

### Notice of Invitation

**Appendix A – Application  
Application for Federal Coal Exploration License  
Oak Mesa Coal Exploration Plan  
Delta, Colorado  
May, 2011**

In accordance with Title 43 of the Code of Federal Regulations, Part/Subpart 3410, §3410.2-1, the Applicant:

Oxbow Mining LLC  
PO Box 535  
3737 Hwy 133  
Somerset, Colorado 81434  
Contact: Steve Weist, (970) 929-6461

Hereby applies for a license to explore for coal on un-leased Federal coal lands in the Oak Mesa Area of Delta County, Colorado. Following is the legal description of the requested lands:

**Location and Description of Lands**

**Township 13 South, Range 92 West, 6<sup>th</sup> P.M.**

Sec 7, Lots 13-20;  
Sec 8, S/2;  
Sec 9, S/2;  
Sec 15, Lots 13, 18, 19, and 22;  
Sec 16, All;  
Sec 17, All;  
Sec 18, All;  
Sec 19, All;  
Sec 20, All;  
Sec 21, All;  
Sec 22, Lots 4, 5, 12, and 13;  
Sec 28, Lots 2-7;  
Sec 29, All;  
Sec 30, All;

**Township 13 South, Range 93 West, 6<sup>th</sup> P.M.**

Sec 9, Lots 9-16;  
Sec 10, Lots 9-16;  
Sec 11, Lots 9-16;  
Sec 12, Lots 9-16;  
Sec 13, All;  
Sec 14, All;  
Sec 15, Lots 1-10, 14-15;  
Sec 16, Lots 1-4;  
Sec 23, All;  
Sec 24, All;  
Sec 25, All;  
Sec 26, All;  
Sec 35, All;  
Sec 36, Lots 1-8, 11-14.

Containing approximately 14,044 acres more or less.

These lands can be found on USGS Quadrangle Maps: Gray Reservoir, CO and Dry Creek, CO.

**Attachments**

Three copies of the Oak Mesa Coal Exploration Plan compiled in accordance with 43 CFR 3482.1(a) with Maps 1 through 4 depicting location, topography, surface and coal ownership, existing and proposed drill hole locations, access roads, and preliminary geology.

The Filing Fee of \$310.00 required by 43 CFR 3473.2(b) is enclosed.

A Notice of Invitation will be published in the Delta County Independent in accordance with 43 CFR 3410.2-1(c)(1) as soon as Oxbow Mining LLC receives notification from the BLM that this application is complete for the purposes of filing.

**Notice of Invitation for Federal Coal Exploration License Application  
Oxbow Mining LLC, Oak Mesa Coal Exploration Plan**

Pursuant to the Mineral Leasing Act of February 25, 1920, as amended, and to Title 43, Code of Federal Regulations, Subpart 3410, members of the public are hereby invited to participate with Oxbow Mining LLC in a program for the exploration of un-leased coal deposits owned by the United States of America in the following described lands located in Delta, Colorado.

Township 13 South, Range 92 West, 6<sup>th</sup> P.M.

Sec 7, Lots 13-20;  
Sec 8, S/2;  
Sec 9, S/2;  
Sec 15, Lots 13, 18, 19, and 22;  
Sec 16, All;  
Sec 17, All;  
Sec 18, All;  
Sec 19, All;  
Sec 20, All;  
Sec 21, All;  
Sec 22, Lots 4, 5, 12, and 13;  
Sec 28, Lots 2-7;  
Sec 29, All;  
Sec 30, All;

Township 13 South, Range 93 West, 6<sup>th</sup> P.M.

Sec 9, Lots 9-16;  
Sec 10, Lots 9-16;  
Sec 11, Lots 9-16;  
Sec 12, Lots 9-16;  
Sec 13, All;  
Sec 14, All;  
Sec 15, Lots 1-10, 14-15;  
Sec 16, Lots 1-4;  
Sec 23, All;  
Sec 24, All;  
Sec 25, All;  
Sec 26, All;  
Sec 35, All;  
Sec36, Lots 1-8, 11-14.

The area described contains approximately 14,044 acres more or less.

The application for federal coal exploration license is available for public inspection during normal business hours under serial number COC-74911 at the BLM Colorado State Office, 2850 Youngfield Street, Lakewood, CO 80215 and at the BLM Uncompahgre Field Office, 2465 S. Townsend Ave, Montrose, CO 81401.

Written Notice of Intent to Participate should be addressed to the attention of the following persons and must be received by them within 30 days after publication of the Notice of Invitation in the Federal Register:

Kurt M. Barton  
Solid Minerals Staff  
Division of Energy, Lands and Minerals  
Colorado State Office  
Bureau of Land Management  
2850 Youngfield Street  
Lakewood, CO 80215

And

Oxbow Mining LLC  
PO Box 535  
3737 Hwy 133  
Somerset, CO 81434  
Attention: Steve Weist

Any Party electing to participate in this program must share all costs on a pro rata basis with the applicant and with any other party or parties who elect to participate.

Before including your address, phone number, e-mail address, or other personal identifying information in your comment, you should be aware that your entire comment, including your personal identifying information may be made publicly available at any time. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.